GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:2488
ANSWERED ON:05.12.2000
COAL LINKAGE TO SSIS
PUTTASWAMY GOWDA;RUDRAGOUDA PATIL

Will the Minister of COAL be pleased to state:

(a) whether coal linkage has been granted to some Small Scale Industries (SSIs);

(b) if so, the details thereof;

(c) whether these SSIs are not in existence;

(d) if so, the facts in this regard;

(e) whether these SSIs have been lifting the coal from collieries much below to their sanctioned quota;

(f) if so, the reasons therefor; and g) the action taken/proposed to be taken by the Government in this regard?

Answer

THE MINISTER OF STATE FOR COAL (N.T.SHANMUGAM)

(a)&(b) Linkages are being granted to applicant Small Scale Industries(SSIs)units by Coal India Limited(CIL),since 1978. These units apply to CIL along with SSI registration certificates and other relevant documents based on which the linkageis considered for such units by non-core sector linkage committee (NCLC) of CIL.

(c)&(d) Since linkage for an SSI unit is considered by CIL onthe basis of documents including SSIregistration certificate issued by the concerned state government, as well as sponsorship of the coal requirement, the unit concerned is deemed to be in operation. In the event, contrary reports are received from the state authorities concerned, appropriate action including suspension of linkage is taken by CIL/concerned coal companies.

(e)to(g) Yes Sir. The linked SSIunits, having valid sponsorship, sometimes book/lift coal less than their entitlement. AllSSIunits having valid linkage are released coal by the respective subsidiary coal companies in terms of linkage and annual sponsorship issued by the state government authority concerned. The quantity of entitlement for the purpose of supply in a year is determined on the basis of maximum permissible quantity(MPQ), whichis the valid order booking in the preceding year. However the MPQ isrequired to be within the maximum sponsored quantity. The tendency of lifting coal by SSI units in variancewith actual linkage is largely checked by the system of MPQ, which has been introduced by the CIL.